Mona A. Bradicha

# FEDERAL COMMUNICATIONS COMMISSION

In Re Applications of:

CONTEMPORARY MEDIA, INC. Licensee of Stations WBOW AM), WBFX(AM), and WZZQ(FM), Terre Haute, Indiana Order to Show Cause Why the Licenses for Stations WBOW (AM), WBFX (AM), and WZZQ(FM), Terre Haute, Inciana Should Not be Revoked CONTEMPORARY BROADCASTING INC. Licensee of Station KFMZ (FM), Columbia, Missouri, and Permittee of Station KAAM FM, Huntsville, Missouri (unb.ilt) Order to Show Cause Why tle Authorizations for KFMZ(FN), Columbia, Missouri, and KAAM-FM, Huntsville, Misscuri, Should Not be Revoked LAKE BROADCASTING, INC. Licensee of Station KBMX(FM), Eldon, Missouri, and Permittee of Station KFXE(FM), Cuba, Missouri Order to Show Cause Why the Authorizations for KBMX (FM), Eldon, Missouri, and KFXE FM), Cuba, Missouri, Should Not be Revoked LAKE BROADCASTING, INC. For a Construction Permit for a New FM Station on Channel

MM DOCKET No.: 95-154

File No.: BPH-921112MH

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244A at Bourbon, Missouri

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Date:

April 9, 1936

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## Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In Re Applications of: MM DOCKET No.: 95-154 CONTEMPORARY MEDIA, INC. Licensee of Stations WBOW(AM),) WBFX(AM), and WZZQ(FM), Terre Haute, Indiana Order to Show Cause Why the Licenses for Stations WBOW(AM), WBFX(AM), and WZZQ(FM), Terre Haute, Indiana) Should Not be Revoked CONTEMPORARY BROADCASTING INC.) Licensee of Station KFMZ(FM), ) Columbia, Missouri, and Permittee of Station KAAM-FM, ) Huntsville, Missouri (unbuilt)) Order to Show Cause Why the Authorizations for KFMZ(FM), Columbia, Missouri, and KAAM-FM, Huntsville, Missouri,) Should Not be Revoked LAKE BROADCASTING, INC. Licensee of Station KBMX (FM), Eldon, Missouri, and Permittee) of Station KFXE(FM), Cuba, Missouri Order to Show Cause Why the Authorizations for KBMX(FM), Eldon, Missouri, and KFXE(FM),) Cuba, Missouri, Should Not be Revoked LAKE BROADCASTING, INC. File No.: BPH-921112MH For a Construction Permit for ) a New FM Station on Channel 244A at Bourbon, Missouri )

Suite 201 FCC Building 2000 L Street, N.W. Washington, D.C.

Tuesday, April 9, 1996

The parties met, pursuant to the notice of the Judge, at 10:01 a.m.

BEFORE: HON. ARTHUR I. STEINBERG

Administrative Law Judge

APPEARANCES:

#### On Behalf of Contemporary Media, et al.:

SHELLY SADOWSKY, ESQ.
MICHAEL DEAN GAFFNEY, ESQ
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(202) 463-4640

#### On Behalf of the Mass Media Bureau:

ROBERT ZAUNER, ESQ.
D. ANTHONY MASTANDO, ESQ.
Mass Media Bureau
Federal Communications Commission
2025 M Street, Northwest
Washington, D.C.

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WITNESSES:	DIRECT	CROSS	REDIRECT	RECROSS	VOIR DIRE
Daniel Leatherman	132	134	182		
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#### EXHIBITS

	IDENTIFIED	RECEIVED	REJECTED
Mass Media Bureau:			
10	119	125	
11	164	166	
5	Prev.	319	

#### Contemporary Media, et al.:

(None)

Hearing Began:10:01 a.m.Hearing Ended:4:27 p.m.Recess Began:10:18 a.m.Recess Ended:10:21 p.m.Recess Began:11:23 a.m.Recess Ended:11:33 a.m.Recess Began:12:32 p.m.Recess Ended:1:34 p.m.Recess Began:2:21 p.m.recess Ended:2:27 p.m.

1	PRQCEEDINGS
2	JUDGE STEINBERG: We are on the record now.
3	This is a continuation of the hearing in MM Docket
4	No. 95-154, involving an Order to Show Cause and Notice of
5	Apparent Liability directed against Contemporary Media,
6	Inc., Contemporary Broadcasting, Inc., and Lake
7	Broadcasting, Inc.
8	I will note that appearances for the counsel are
9	the same.
10	We have some preliminary matters. And the first
11	one was found on my desk a document that's labeled Mass
12	Media Bureau Exhibit No. 10.
 13	Why don't I briefly glanced through these
14	checks that I asked to be placed in the record; is that
15	correct, Mr. Zauner?
16	MR. ZAUNER: Yes, Your Honor. These are a
17	selection of checks that were pulled randomly by the
18	Licensee in response to the Bureau's request for documents.
19	MR. GAFFNEY: And, Your Honor, with respect to
20	that exhibit, there are only eight checks which raise an
21	issue as to their relevance in this case.
22	JUDGE STEINBERG: I'll tell you what we will do.
 23	Why don't you formally identify it and I'll mark it for
24	identification, and then we will go from there.
25	MR. ZAUNER: Your Honor, at this time I would like

1	to have marked for identification as Mass Media Bureau
2	Exhibit 10 an 18-page exhibit beginning with page A, which
3	is a brief paragraph followed by a list of checks, and then
4	under that is a letter addressed to myself, Robert A.
5	Zauner, Esquire, from Michael D. Gaffney of the firm of
6	Rosenman & Colin dated February 7, 1996. And that letter
7	is identified with a letter B in the lower right-hand
8	corner.
9	Attached and the following page 1 through 16 are a
10	series of pages, each containing four checks each.
11	And, Your Honor, I request that you have Mass
12	Media Bureau Exhibit 10 marked for identification.
13	JUDGE STEINBERG: Okay, the document described
14	will be marked for identification as Mass Media Bureau
15	Exhibit No. 10.
16	(The document referred to was
17	marked for identification as
18	Mass Media Bureau Exhibit No.
19	10.)
20	JUDGE STEINBERG: Now, do you want to offer it?
21	MR. ZAUNER: Your Honor, at this time I would like
22	to offer Mass Media Rureau Exhibit 10 into evidence

from reading Mr. Gaffney's cover letter is that basically these checks are a random sampling of the checks of the

23

24

25

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JUDGE STEINBERG: Okay. Now, my understanding

- 1 Licensee, that the Licensee issued during that period?
- 2 MR. GAFFNEY: That's correct. Not entirely
- 3 random. They are a sample from each of the years in each of
- 4 the two categories, vendor checks and employee checks. So
- 5 they have order in that respect. But they are not all of
- the checks written during that period, and we believe, at
- 7 least with regard to the issues relevant in this case, they
- 8 are a random selection from among those categories of checks
- 9 as stated in my letter.
- 10 MR. ZAUNER: Your Honor, the checks that are
- 11 included in this exhibit are those that bear the --
- 12 JUDGE STEINBERG: Right.
- 13 MR. ZAUNER: -- signature of Michael Rice. There
- 14 were many more checks that were delivered to us and
- 15 excluded.
- 16 JUDGE STEINBERG: Right. How many checks were
- 17 written totally, all three Licensees' accounts in those four
- 18 years? Do you have any idea?
- MR. GAFFNEY: Boxes, Judge.
- JUDGE STEINBERG: Boxes and boxes?
- 21 MR. GAFFNEY: The sample that we submitted here
- 22 amounted to over 500 checks. So for the total years and the
- 23 total amount of checks, it was significant.
- JUDGE STEINBERG: My problem is we have got four
- times 16 is 64, right? Does my mind still work properly?

- So we have 64 checks out of 500 and something.

  MR. GAFFNEY: Actually a little less than that,
- 3 Your Honor. Not all of these were signed by Mr. Rice.
- 4 There are some that are contained in these pages that were
- 5 not signed by him because if one or more checks appear on
- 6 that page signed by Mr. Rice then the page was included.
- 7 So a breakdown of the numbers submitted is the --
- JUDGE STEINBERG: Oh, I see. Oh, I see what you
- 9 mean. Okay.
- So you go to page 1, numbered page 1, skip the A
- 11 and B. Those are four checks that have Michael Rice's
- 12 signature on it. Page 2, four checks with Michael Rice's
- 13 signature on it.
- 14 Why don't you answer "correct," so that we --
- MR. GAFFNEY: Correct.
- JUDGE STEINBERG: Is that correct?
- MR. GAFFNEY: Correct, Your Honor.
- 18 JUDGE STEINBERG: Page one, four Michael Rice
- 19 checks?
- MR. GAFFNEY: Correct.
- JUDGE STEINBERG: Page 2, four Michael Rice
- 22 checks?
- MR. GAFFNEY: Correct.
- JUDGE STEINBERG: Page 3, four Michael Rice
- 25 checks?

- 1 MR. GAFFNEY: Correct, and by "Michael Rice
- 2 checks, " he is a co-signatory on --
- JUDGE STEINBERG: Right.
- 4 MR. GAFFNEY: -- these checks, Your Honor.
- JUDGE STEINBERG: Yes. Page 4, we have one
- 6 Michael Rice check.
- 7 MR. GAFFNEY: That's is correct.
- JUDGE STEINBERG: Page 5, one Michael Rice check.
- 9 MR. GAFFNEY: Also correct.
- JUDGE STEINBERG: Page 6, one Michael Rice check.
- MR. GAFFNEY: Correct.
- JUDGE STEINBERG: Page 7, two Michael Rice checks.
- MR. GAFFNEY: Correct.
- 14 JUDGE STEINBERG: Page 8, two Michael Rice checks.
- MR. GAFFNEY: Correct.
- JUDGE STEINBERG: Page 9, two Michael Rice checks.
- MR. GAFFNEY: Correct.
- 18 JUDGE STEINBERG: Page 10, two Michael Rice
- 19 checks.
- MR. GAFFNEY: Correct.
- 21 JUDGE STEINBERG: Page 11, two Michael Rice
- 22 checks.
- MR. GAFFNEY: Correct.
- JUDGE STEINBERG: Page 12, two Michael Rice
- 25 checks.

- 1 MR. GAFFNEY: Correct.
- JUDGE STEINBERG: Page 13, four Michael Rice
- 3 checks.
- 4 MR. GAFFNEY: That's correct.
- 5 JUDGE STEINBERG: Page 14, two Michael Rice
- 6 checks.
- 7 MR. GAFFNEY: Yes, but if I could stop you there,
- 8 Your Honor.
- JUDGE STEINBERG: Okay, stop me here.
- MR. GAFFNEY: This was an issue I was going to
- address, and that we have already spoken to the Bureau
- 12 about.
- 13 If you note the two Michael Rice checks on page 14
- of the Bureau's exhibit, they are dated April 5 of 1991.
- Those are payroll checks. Mr. Rice was already admitted to
- the hospital on the dates of April 5th. He actually signed
- 17 these ahead of time.
- We are prepared through the direct testimony on
- 19 the stand today of Janet Cox to have her attest that these
- 20 checks were signed in advance.
- So, in fact, they were signed prior to Mike's
- 22 hospitalization. Mr. Rice's hospitalization.
- JUDGE STEINBERG: Okay. Mr. Zauner, do you have
- 24 any problem with that representation? Do you want to ask
- 25 Ms. Cox and --

- MR. ZAUNER: Well, I have no problem with the
- 2 representation that he's going to ask Ms. Cox about that.
- JUDGE STEINBERG: Okay, you can ask about that.
- 4 But I understand your point.
- 5 MR. GAFFNEY: All right. The same for the next
- 6 page, Bureau Exhibit page 15, the date of April 3rd on the
- 7 top two checks, Your Honor?
- JUDGE STEINBERG: Yes.
- 9 MR. GAFFNEY: Those were done the day he was
- 10 hospitalized. He was hospitalized thereafter, later in the
- 11 date, later in the evening actually.
- JUDGE STEINBERG: Okay. So page 14 contains two
- 13 checks signed by Michael Rice.
- MR. GAFFNEY: Correct.
- 15 JUDGE STEINBERG: Page 15 has four checks signed
- 16 by Michael Rice.
- 17 MR. GAFFNEY: Correct, subject to this same --
- JUDGE STEINBERG: Okay, all four checks?
- MR. GAFFNEY: -- relevancy -- yes, because the
- 20 bottom two are dated April 5th and they have the same
- 21 explanation as the previous page, page 14.
- JUDGE STEINBERG: And then page 16, we have two
- 23 Michael Rice checks.
- MR. GAFFNEY: And if you look at the dates there,
- 25 Your Honor, those are also April 5th checks for the WZZQ

	1	Contemporary Media payroll.
main inter	2	JUDGE STEINBERG: Okay.
	3	MR. GAFFNEY: It eliminates a total of eight
	4	checks from the lists that is marked as page A to Mass Media
	5	Bureau Exhibit 10.
	6	JUDGE STEINBERG: Okay. So basically you are
	7	objecting to pages 14, 15 and 16 on the basis that you just
	8	said.
	9	MR. GAFFNEY: Correct, Your Honor.
	10	JUDGE STEINBERG: On relevancy. Okay.
	11	Any other objections?
	12	MR. GAFFNEY: Other than the ones that we stated
· ·	13	on April 2nd at the admission hearing, Your Honor, and were
	14	overruled.
	15	JUDGE STEINBERG: Okay. I will receive Bureau
	16	Exhibit No. 10, and then you can cross-examine or examine,
	17	it's not really cross, but you can examine Ms. Cox on these
	18	pages, and whatever the testimony will be will be reflected
	19	in the decision. You know, it might be relevant. It might
	20	not.
	21	(The document referred to was
	22	marked for identification as
•••	23	Mass Media Bureau Exhibit No.
	24	10, was received in evidence.)
	25	JUDGE STEINBERG: The problem that I have

- 1 MR. GAFFNEY: And then for clarity sake, Your
- 2 Honor, we would like to reiterate our objections that were
- 3 stated on the April 2nd record.
- 4 JUDGE STEINBERG: Yes, concerning checks
- 5 generally. Right.
- 6 MR. GAFFNEY: That's correct, Your Honor.
- JUDGE STEINBERG: Yes, as I said, I can't disagree
- 8 with the premise of your objection. The only thing that I
- 9 think that the record should have these as the best evidence
- other than the signature cards, because this says one thing
- and the signature cards say another thing.
- My problem with the random sampling is that what
- can you do with a random sampling?
- 14 If we can say this -- if we can say there were a
- million checks written, and we took a random sampling and
- 16 five percent of them were signed by Michael Rice, then we
- 17 can say -- what's five percent of a million? Let's say a
- 18 thousand. What's five percent of a thousand? My mind
- 19 doesn't work mathematically.
- MR. GAFFNEY: Fifty.
- JUDGE STEINBERG: So we can say a random sampling
- indicates that 50 out of 5,000 were signed by Michael Rice.
- I guess we could say 50 out of 504, or 39 out of 500.
- I would be much happier with real numbers, which
- 25 might be terribly burdensome. But we will think about it.

- I mean, if you can get an estimate as to the total number of
- 2 checks, and then an agreement that whatever the random
- 3 sampling shows you, we can project, you all can discuss
- 4 that. I don't want to be too picky about this.
- 5 Okay, now --
- 6 MR. GAFFNEY: Just one more issue.
- 7 JUDGE STEINBERG: Sure.
- 8 MR. GAFFNEY: And that is with the order of our
- 9 witnesses.
- MR. ZAUNER: Before get to that, there is just one
- other thing, which relates to that, and that is that the
- Bureau has informed counsel for the Licensees that it will
- not require them to produce Ken Brown.
- JUDGE STEINBERG: Okay.
- 15 MR. GAFFNEY: Leaving us with the two witnesses
- seated behind me Your Honor. And we would like to -- well,
- 17 it's the Licensees' view, and we discussed this and we
- differ on it, that at this point in the case we are, in
- 19 essence, putting on the Licensees direct case. We will put
- the witnesses on, they will sponsor their exhibits, and then
- 21 cross-examination.
- We would like to order the witnesses so that Mr.
- 23 Leatherman is on the stand first, for a couple of reasons.
- 24 First, his time on the stand will likely be brief,
- certainly shorter than Ms. Cox, and I would like to get him

- 1 back to his radio station, and subject to him as little
- 2 inconvenience as possible.
- And the Bureau, on the other hand, has another
- 4 order of witnesses in mind. There only leaves one other.
- 5 And on that we disagree.
- I don't know what the Bureau's position is with
- 7 regard to their right to order the witnesses at this stage
- 8 of the case.
- JUDGE STEINBERG: Why don't we go off the record.
- 10 (Discussion off the record.)
- JUDGE STEINBERG: Okay, we are back on the record.
- 12 It is their direct case and they can present their
- witnesses in any order that they wish. And if they wish to
- 14 present Mr. Leatherman first, then that's their privilege.
- Now, let me just see. There was another thing.
- Were there any further discussions with respect to the
- 17 deposition of Mr Hanks?
- 18 MR. GAFFNEY: Well, Your Honor, we are poised to
- 19 have that discussions, and we scheduled one for, in fact,
- 20 for tomorrow afternoon. We should be speaking to Mr. Hanks'
- 21 attorney, if he sticks with that schedule, tomorrow
- 22 afternoon. But as of right now I cannot report that we have
- 23 an agreement to take the deposition any sooner than the
- 24 notice date.
- JUDGE STEINBERG: Okay. Of course, you may hear

- the direct case and not have a rebuttal witness.
- MR. GAFFNEY: Excellent point, Your Honor.
- JUDGE STEINBERG: Okay, I just wanted to ask about
- 4 that.
- 5 The third thing that I have -- okay, so that's
- 6 still an open question.
- 7 The third thing that I have is there was a June
- 8 21, 1991, statement pursuant to Section 1065. This was
- 9 referred to in the hearing designation order, and it's also
- referred to in Bureau Exhibit 1, Attachment 10, page 42.
- Is that in the record? I can't find it.
- 12 MS. SADOWSKY: We put in the June 14, 1991,
- 13 statement --
- JUDGE STEINBERG: Yes, you put that in and the
- Bureau has that in also, so that's in there twice. But
- 16 that's okay.
- MS. SADOWSKY: That's okay. We didn't know what
- 18 each of us were putting in at the time.
- JUDGE STEINBERG: But it's the June 21st one.
- There were four of them mentioned in the HDO, and I think
- 21 three of them are already in -- three of them are in the
- 22 record. And since the HDO refers to it -- yes, three of
- them are in the record, except for the June 21, 1991, one is
- 24 not in the record.
- 25 Can we get it in there?

- 1 MS. SADOWSKY: Yes.
- JUDGE STEINBERG: Yes, somebody put it in.
- Does anybody know offhand who it was signed by?
- 4 If you don't know, you don't know.
- 5 MS. SADOWSKY: No.
- JUDGE STEINBERG: Okay, how about
- 7 sequestration of witnesses. I would like the witnesses
- 8 sequestered. How about that? Does that end the matter?
- 9 MR. GAFFNEY: Well, Your Honor, we only have one
- representative from the Licensees here, and that's Ms. Cox.
- 11 We would ordinarily have her in.
- JUDGE STEINBERG: Well, you know, I mean, that's
- your problem. You have a right to have a representative
- 14 here, but I want the witnesses sequestered because the
- questioning could overlap. Certainly some of the questions
- I have are going to overlap. And if you want Ms. Cox by
- 17 your side, then you may have to put her on first, because I
- am going to rule that if Mr. Leatherman goes on first, Ms.
- 19 Cox has got to be sequestered.
- 20 MR. GAFFNEY: You made yourself perfectly plain,
- 21 Your Honor. We will sequester the witness.
- JUDGE STEINBERG: Okay.
- MR. GAFFNEY: If you can give me one minute.
- JUDGE STEINBERG: Yes, let me just explain to the
- 25 witnesses what that means. And for the record, both

- 1 witnesses are in the room.
- What this means is that when Mr. Leatherman
- 3 testifies, Ms. Cox is not going to be in the room. When Ms.
- 4 Cox -- I mean, you're not going to recall Mr. Leatherman,
- 5 are you?
- 6 MR. GAFFNEY: We have no present intention of
- 7 that, Your Honor.
- JUDGE STEINBERG: Okay. When Ms. Cox is
- 9 testifying, Mr. Leatherman is not in the room. And you two
- 10 can't discuss your testimony with each other until you both
- are totally finished. And if you are not going to be
- recalled, if basically if you are going home and you are not
- going to be recalled, then you can talk about it. But up
- 14 until then you can't talk. You can't say "The idiot judge
- asked me this. What was he asking me this for?"
- 16 Okay?
- And your lawyers can't tell you what each of you
- 18 said directly, but they can ask you questions, but not
- indicate where the information came from, but that's
- 20 legitimate.
- Do you understand that?
- MR. LEATHERMAN: Yes.
- JUDGE STEINBERG: So let's go off the record and
- 24 get Ms. Cox sequestered.
- 25 (Whereupon, a recess was taken.)

1	JUDGE STEINBERG: Back on the record.
2	Call your witness.
3	MR. GAFFNEY: Yes, Your Honor.
4	Mr. Dan Leatherman.
5	JUDGE STEINBERG: Could you raise your right hand
6	please?
7	Whereupon,
8	DANIEL LEATHERMAN
9	having been first duly sworn, was called as a
10	witness herein and was examined and testified as follows:
11	JUDGE STEINBERG: Please be seated.
12	And if you would just state your name and address
13	for the record.
14	THE WITNESS: Dan Leatherman, and I am currently
15	at Route 1, Box 169A, Eldon, Missouri, 65026.
16	MR. GAFFNEY: Your Honor, if I may approach the
17	witness.
18	JUDGE STEINBERG: You don't have to ask.
19	Everybody can just walk up if they want to.
20	MR. GAFFNEY: Thank you.
21	JUDGE STEINBERG: If it bothers the witness that
22	people are around him, then you let me know.
23	DIRECT EXAMINATION
24	BY MR. GAFFNEY:
25	O I would like to show you a document. It's

- 1 entitled "Testimony of Dan Leatherman," and marked as
- 2 Contemporary Exhibit 3 in this case.
- 3 Do you recognize that document?
- 4 A Yes, I do.
- 5 Q Attached to it is another document entitled
- 6 "Declaration of Daniel Leatherman."
- 7 Do you recognize that document?
- 8 A Yes, I do.
- 9 Q Okay. Are the items that are in the testimony of
- Dan Leatherman, marked as Contemporary Exhibit No. 3, true
- and correct to the best of your knowledge, information and
- 12 belief?
- 13 A Yes, they are.
- 14 O And is does that declaration attest to that fact?
- 15 A Yes, it does.
- 16 Q Are there any changes in the statements that are
- 17 made here, have there been any changes in the statements
- that are made herein, or do they remain true today?
- 19 A They are true today. The only difference is I am
- 20 no longer employed by Contemporary Media, Lake Broadcasting
- 21 in this case.
- 22 Q And where are you employed?
- A KCHI, Livingston Broadcasting, Chilicothe,
- 24 Missouri. I'm in the process of buying the radio station.
- JUDGE STEINBERG: When you leave Lake?

	1		THE WITNESS: Mid March. My actual end date was
	2	to be 8th	of March, but after Janet and I talked, they
	3	needed a l	ittle bit more help and a little more time, you
	4	know, for	the transition, so I went another week.
	5		JUDGE STEINBERG: Okay, are you going to be 100
	6	percent ow	mer of that station, or just the
	7		THE WITNESS: Eventually.
	8		JUDGE STEINBERG: Okay, initially, what
	9		THE WITNESS: I'm just investing in it right now.
	10		MR. GAFFNEY: Your Honor, the exhibit has been
	11	previously	admitted in the case.
	12		We have no further questions.
	13		JUDGE STEINBERG: Okay, cross-examination?
	14		CROSS-EXAMINATION
	15		BY MR. MASTANDO:
	16	Q	Good morning, Mr. Leatherman.
	17		My name is Anthony Mastando.
	18	Α	Good morning, Anthony.
	19	Q	Thanks
	20		You state in your testimony that Janet Cox and
	21	Michael Ri	ce interviewed you; is that correct?
	22	А	Yes, it is.
	23	Q	When you were interviewed by Michael Rice and
	24	Janet Cox	for your position at KBMX, did they discuss
	25	Michael Ri	ce's troubles with you, to wit, his arrest for

- 1 child sexual abuse?
- 2 A No, they didn't.
- 3 Q When did you first find out about that?
- 4 A After he went into the hospital.
- Were you surprised then, or had you heard this
- 6 before?
- 7 A Sure, I was surprised.
- 8 Q When were you told, or had you been told that
- 9 Michael Rice was to be excluded from the decisions on the
- managerial, day-to-day policy decisions of Lake
- 11 Broadcasting?
- 12 A I'm sorry?
- Q Were you told that Michael Rice was to be excluded
- 14 from those types of decisions?
- 15 A We agreed that in my interview.
- 16 Q Did they -- did anyone in your interview state why
- 17 that was --
- 18 A I stated that.
- 19 Q Did you state that in response to a particular
- 20 stimulus?
- 21 A During the interview, when I first went down to --
- from Iowa, went down and had my interview, and I met Janet,
- and talked with Janet. And then later Mike came in, and we
- 24 were talking, and then they informed me that there is other
- 25 two investors in the station, Casey Van -- his regular name,

- Casey Van Allen. His real name is Dennis Klautzer, and Ken
- 2 Kuenzie.
- I started thinking, whoa, Dan, there is too many
- 4 people involved here. And I said, "I'll tell you folks, I
- 5 am concerned here. There seems like you have four people,
- and now you've got a general manger, and I don't want to go
- 7 somewhere were I am doomed, you know, to fail from the
- 8 start. I need to know what's the deal here. I need to run
- 9 the radio station and be accountable to one person, because
- 10 this is -- I'm just not going to do it."
- And I've heard of nightmares like that, and it
- 12 ain't going to happen. And that's when we agreed, and I can
- 13 remember Michael Rice saying, "That's it. I am glad you are
- 14 saying that because that's also the way we feel. And from
- now you will always be accountable to Janet Cox. Dennis and
- 16 Ken had their own ways of doing things, and they are good
- 17 broadcasters, good radio people, but they are not business
- 18 people."
- 19 And I am a business person, a salesperson, a
- 20 business person, and I need to run a business. And I am
- 21 answering to one person. Otherwise, it just gets to be --
- 22 you know how it gets. It's crazy.
- So I eliminated that on the onset. Otherwise, I
- 24 would not have accepted the position. So I instigated that
- 25 because the red light showed there.

- 1 Q So is it your testimony that you instigated this
- 2 not because Michael Rice had been convicted of or charged
- 3 with or arrested for child sexual abuse, but instead because
- 4 you felt you wanted control of the operation of the station?
- 5 A I guess I would say I agree.
- 6 This was the interview. I didn't know anything
- 7 about any of that other stuff.
- 8 Q When did you find out about that other stuff?
- 9 A When he went in the hospital.
- 10 Q Were you ever told that Michael Rice was to be
- excluded from the day-to-day or managerial decisions of Lake
- 12 Broadcast?
- MR. GAFFNEY: Objection, Your Honor. It's been
- 14 asked and answered.
- 15 JUDGE STEINBERG: I don't think so. Overruled.
- 16 BY MR. MASTANDO:
- 17 Q Could you answer, please?
- 18 A Your question again?
- 19 Q Were you ever told that Michael Rice was to be
- insulated because of the charges that were brought against
- 21 him?
- 22 A No. He never was in the first place.
- JUDGE STEINBERG: Okay, he never was what?
- THE WITNESS: In charge of anything.
- BY MR. MASTANDO:

- Q Were you ever told that he was to be excluded on
- those grounds, on the ground --
- 3 A No.
- 4 Q Did you ever talk to other managers or meet --
- 5 talk to other managers of the Contemporary Media Group?
- A About -- did I ever talk to our other managers?
- 7 Q Correct.
- 8 A Very occasionally. Not too often.
- 9 Q Did Michael Rice ever come up during those
- 10 discussions?
- 11 A No.
- 12 Q Did Janet Cox ever meet with you and the other
- 13 general manager and discuss Michael Rice?
- 14 A No.
- 15 O Mr. Leatherman.
- 16 A Yes, sir.
- 17 Q Isn't it a fact that Michael Rice's arrest and
- 18 charge was a major topic of discussion in the communities?
- 19 A I can't speak for the other communities. But in
- our community, no, it was not a major topic.
- 21 O Michael Rice's arrest for those counts was not
- 22 discussed between -- there was no discussion between you and
- 23 Janet Cox?
- 24 A There was a discussion between me and Janet Cox.
- 25 Q At what point did that discussion occur?